

**ESHB 1260** - S COMM AMD

By Committee on Transportation

ADOPTED 04/06/2007

1 Strike everything after the enacting clause and insert the  
2 following:

3 "Sec. 1. RCW 41.45.0631 and 2006 c 94 s 2 are each amended to read  
4 as follows:

5 (1) The allocation of costs between the employer and members of the  
6 Washington state patrol retirement system shall be made only after the  
7 application of any minimum total contribution rate that may be in  
8 effect for the system under subsection (4) of this section. For  
9 benefit improvements effective on or after July 1, 2007, costs shall be  
10 shared equally by members and the employer, and any cap on member  
11 contributions shall be adjusted accordingly. The member contribution  
12 rate shall be based on the adjusted total contribution rate described  
13 in subsection (2) of this section. Beginning July 1, ((2001)) 2007,  
14 the required member contribution rate for members of the Washington  
15 state patrol retirement system shall be ((two percent or equal to the  
16 employer rate adopted under RCW 41.45.060 and 41.45.070 for the  
17 Washington state patrol retirement system, whichever is greater. The  
18 employee contribution rate shall not, however, include any increase as  
19 a result of)) the lesser of the following: (a) One-half of the  
20 adjusted total contribution rate for the system; or (b) seven percent,  
21 plus fifty percent of the contribution rate increase caused by any  
22 benefit improvements effective on or after July 1, 2007.

23 (2) The employer shall continue to pay for all costs attributable  
24 to distributions under RCW 43.43.270(2) for survivors of members who  
25 became disabled under RCW 43.43.040(2) prior to July 1, 2006, until  
26 such costs are fully paid. In order to avoid charging members for  
27 these costs, the total required contribution rate shall be adjusted to  
28 exclude these costs. The result of the adjustment shall be the  
29 adjusted total contribution rate that is to be used to calculate the  
30 required member contribution rate.

1       (3) The employer rate shall be the contribution rate required to  
2 cover all total system costs that are not covered by the member  
3 contribution rate.

4       (4) Beginning July 1, 2009, a minimum total contribution rate is  
5 established for the Washington state patrol retirement system. The  
6 total Washington state patrol retirement system contribution rate as  
7 adopted by the pension funding council and subject to revision by the  
8 legislature may exceed, but may not drop below, the established minimum  
9 total contribution rate. The minimum total contribution rate shall  
10 equal the total contribution rate required to fund seventy percent of  
11 the Washington state patrol retirement system's normal cost as  
12 calculated under the entry age normal cost method. Upon completion of  
13 each biennial actuarial valuation, the state actuary shall review the  
14 appropriateness of this minimum total contribution rate and recommend  
15 to the legislature any adjustments as may be needed.

16       NEW SECTION. Sec. 2. If both Senate Bill No. 6129 and Substitute  
17 Senate Bill No. 5937 are not enacted by June 30, 2007, this act is null  
18 and void.

19       NEW SECTION. Sec. 3. This act is necessary for the immediate  
20 preservation of the public peace, health, or safety, or support of the  
21 state government and its existing public institutions, and takes effect  
22 July 1, 2007."

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23       On page 1, line 2 of the title, after "system;" strike the  
24 remainder of the title and insert "amending RCW 41.45.0631; creating a  
25 new section; providing an effective date; and declaring an emergency."

EFFECT: Restores a necessary emergency clause. This bill has

provisions that take effect beginning with the first day of the fiscal year/biennium (July 1, 2007). Without an emergency clause, this bill would take effect ninety days after sine die (i.e. July 21, 2007), which would be approximately 20 days after the date specified in the substance of the bill. Also makes a technical change to acknowledge that contribution rates are "adopted" by the pension funding council and "subject to revision" by the Legislature.

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